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March 27, 2017

By ECF Filing

The Honorable Shelley C. Chapman
United States Bankruptcy Judge
United States Bankruptcy Court
Southern District of New York
One Bowling Green
New York, New York 10004-1408

Re: *Lehman Brothers Holdings, Inc. v. Home Capital Funding, d/b/a Security One Lending*, Adv. Pro. No. 16-01344 (Bankr. S.D.N.Y.); *Lehman Brothers Holdings Inc. v. 1st Advantage Mortgage, L.L.C.*, Adv. Pro. No. 16-01019 (Bankr. S.D.N.Y.)

Dear Judge Chapman:

This firm represents Security One Lending ("Security One"), the purported defendant in the adversary proceeding captioned *Lehman Brothers Holdings, Inc. v. Home Capital Funding, d/b/a Security One Lending*, Adv. Pro. No. 16-01344 (Bankr. S.D.N.Y.).

We submit this letter pursuant to paragraph 15 of the *Case Management Order* (Docket No. 305) and the *Order to Bind Additional Defendants to the Existing Case Management Order* (Docket No. 397) to request a pre-motion conference to consider Security One's request to file a threshold motion to dismiss the Second Amended Adversary Complaint in Adv. Pro. No. 16-01344.

On December 28, 2016, LBHI filed its boilerplate Second Amended Adversary Complaint naming "Home Capital Funding, d/b/a Security One Lending" as the defendant. The presence of Security One in this litigation is premised entirely upon the erroneous identification of Security One as a d/b/a of Home Capital Funding. Security One and Home Capital Funding are separate legal entities. Security One is not a "d/b/a" of Home Capital Funding. Furthermore, Security One is not a party to the referenced Agreements upon which LBHI's contractual indemnification claim is based and Security One has not otherwise contractually agreed to indemnify LBHI.

In fact, based on our review of publicly available information, it appears that on November 9, 2010, Home Capital Funding filed a chapter 7 bankruptcy petition in the United States Bankruptcy Court for the Southern District of California. See *In re Home Capital Funding, Inc.*, Case No. 10-19896 (Bankr. S.D. Cal.) (Docket No. 1). On June 27, 2012, the bankruptcy court entered the *Order Approving Trustee's Report of No Distribution and Closing Case* (Docket No. 26). Meanwhile, Security One, which was incorporated in November 2006, was acquired by Walter Investment Management Corp. in December 2012 and, following subsequent mergers and name changes, is now known as Ditech

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Financial LLC. The Second Amended Adversary Complaint does not allege any basis on which Security One could be contractually obligated to indemnify LBHI.

For the forgoing reasons, Security One respectfully requests a pre-motion conference be scheduled to discuss how to address issues that are unique to Security One. Security One reserves all other defenses, including the right to seek dismissal based on lack of subject matter jurisdiction over the contractual indemnification claim against Security One, and the right to join in the consolidated motion to dismiss to be filed in accordance with the Case Management Order.

Respectfully submitted,

Sarah K. Kam
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cc: Counsel of record (via ECF)